

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF RIGHT BEAVER GAS	)	
COMPANY FOR A RATE ADJUSTMENT	)	
PURSUANT TO THE ALTERNATIVE RATE	)	CASE NO. 10404
FILING PROCEDURE FOR SMALL UTILITIES	)	

ORDER TO CEASE AND DESIST AND TO SHOW CAUSE

Right Beaver Gas Company ("Right Beaver") has pending before this Commission an application for approval of a rate increase. A final Order addressing the requested rate increase has not been issued in this case.

The Commission has recently received documentation showing that Right Beaver has implemented the unapproved rate increase without Commission approval by billing its customers at the higher rate beginning with the January 1989 billing cycle. The Commission has also received at least one informal complaint through the Consumer Services Hotline. Copies of the billing at the increased rate are attached as Appendix A to this Order.

Based upon the bills attached and incorporated as Appendix A and the complaint received, the Commission finds that a prima facie showing has been established that Right Beaver has increased its rates without Commission approval and in violation of the provisions of KRS Chapter 278.

IT IS THEREFORE ORDERED that:

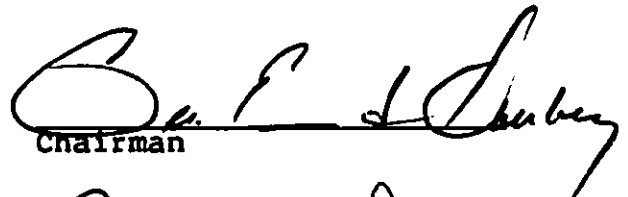
1. Right Beaver shall immediately cease and desist from charging any rates which have not been approved by the Commission.

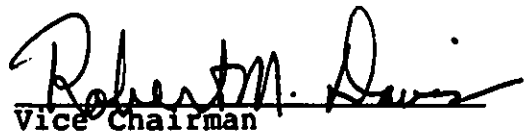
2. Right Beaver shall appear and show cause, if any it can, why it should not be penalized under KRS 278.990 for violating provisions of KRS Chapter 278 including, but not limited to, KRS 278.160 at a hearing scheduled for February 13, 1989, at 1:30 p.m., Eastern Standard Time, in Hearing Room No. 2 at the Commission's offices in Frankfort, Kentucky,

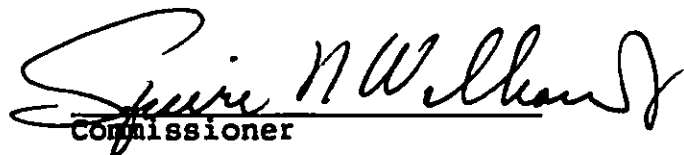
3. At the above-scheduled hearing Right Beaver shall also be prepared to demonstrate a plan for refunding or crediting customer accounts for any unauthorized amounts collected. Such plan shall include the names of those customers from which the charges were collected and the amount for each customer that shall be refunded or credited.

Done at Frankfort, Kentucky, this 19th day of January, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

---

Executive Director

# RIGHT BEAVER GAS CO.

BOX 269

MARTIN, KY 41649

RATE  
(Upon Request)

Service	Meter Reading	HCC #
Jan 1	220	1090
Dec 1	220	
M.C.F. Used	2	

5% Penalty added to bill  
if not paid by 10th  
of month.

DIS NOTICE  
Feb 15<sup>th</sup> 89

Current Bill	92	95
School Tax		
Gross Rec Tax		
Prev. Balance	33	34
Penalty		
<b>TOTAL</b>	<b>126</b>	<b>29</b>

DETACH THIS  
COUPON.  
Forward with your  
check to insure  
proper credit.

M Bentley

G1090
T
1

92.95

PG 33.34

# 126.29

GAS

# RIGHT BEAVER GAS CO.

BOX 269

MARTIN, KY 41649

RATE  
(Upon Request)

Service	Meter Reading	HCC #
Jan 1	220	1095
Dec 1	220	
M.C.F. Used	14	

5% Penalty added to bill  
if not paid by 10th  
of month.

GENERAL COUNSEL

Current Bill	59	35
School Tax		
Gross Rec Tax		
Prev. Balance	26	71
Penalty		
<b>TOTAL</b>	<b>32</b>	<b>64</b>

DETACH THIS  
COUPON.  
Forward with your  
check to insure  
proper credit.

S Little

G1095
T
1

59.35

CR 26.71

# 32.64

GAS

# RIGHT BEAVER GAS CO.

BOX 269

MARTIN, KY 41649

RATE  
(Upon Request)

Service	Meter Reading	HCC#
JAN 1	858	1110
DEC 1	826	
M.C.F. Used	32	

5% Penalty added to bill  
if not paid by 10th  
of month.

Current Bill	134	95
School Tax		
<del>Kentucky Tax</del>		
Prev. Balance Credit	33	34
Penalty		
TOTAL	101	61

DETACH THIS  
COUPON.  
Forward with your  
check to insure  
proper credit.

B Roberts

G	1110
T	
	1

134.95

CR 33.34

# 101.61

GAS

# RIGHT BEAVER GAS CO.

BOX 269

MARTIN, KY 41649

RATE  
(Upon Request)

Service	Meter Reading	HCC#
JAN 1	060	1025
DEC 1		
M.C.F. Used	36	

5% Penalty added to bill  
if not paid by 10th  
of month.

**RECEIVED**  
JAN 18 1989  
**GENERAL COUNSEL**

Current Bill	151	75
School Tax		
<del>Kentucky Tax</del>		
Prev. Balance Credit	33	34
Penalty		
TOTAL	118	41

DETACH THIS  
COUPON.  
Forward with your  
check to insure  
proper credit.

H ISAC

G	1025
T	
	1

151.75

CR 33.34

# 118.41

GAS

# RIGHT BEAVER GAS CO.

BOX 269

MARTIN, KY 41649

RATE  
(Upon Request)

Service	Meter Reading	HCC#
JAN 1	038	1120
DEC 1		
M.C.F. Used	35	

5% Penalty added to bill  
if not paid by 10th  
of month.

**RECEIVED**  
JAN 18 1989  
**GENERAL COUNSEL**

Current Bill	105	55
School Tax		
<del>Kentucky Tax</del>		
Prev. Balance		
Penalty		
TOTAL	105	55

DETACH THIS  
COUPON.  
Forward with your  
check to insure  
proper credit.

T Slovic

G	1120
T	
	1

105.55

Tax

105.55

GAS

Will DIS. if  
NOT PAID BY  
JAN 30) 1989

CCS-NBR:890008503  
NAME:HALL,MS.HAROLD  
ADR1:BOX 4  
ADR2:  
CITY:TOPMOST  
CNTY:KNOTT  
HOME PHONE:(606)447-2755 WORK:(    ) -

ENTRY DATE/TIME:17-JAN-1989 09:43:03.00 TYPE CONTACT:R  
RIGHT BEAVER GAS COMPANY, INC.  
UTIL-NUMBER:00006100  
SERV:GA COMP:B3 CONFIDENTIAL:N  
CONTACTED UTIL?Y DISC.INITIAL CALL?N  
PRIORITY:N  
  
ACCT-NUMBER:  
DATA ENTRY OPERATOR:JG

PRELIMINARY DESCRIPTION:  
MS. HALL SAID GAS CO RAISED HER BILL WITHOUT NOTIFICATION.SHE WANTS TO KNOW WHEN THEY REQUESTED A RATE HIKE.SUPPOSED TO BE \$50/3 MON.SHE SAID WAS RAISE \$4.20.  
PROCESSOR NAME:GAY

\*\*\*\*\*

PROCESSOR NAME: GAY

CALL BACK DATE: 17-JAN-1989 08:43:41.00

CALL BACK INFORMATION:  
SAID BILL WAS SUPPOSED TO BE \$50 EVERY 3 MONTHS.SHE SAW MR. HOLBROOK OF RIGHT BEAVER GAS ,HE TOLD HER HE HAD BEEN GRANTED A RATE HIKE OF \$4.20 MCF.SHE WAS UPSET THAT THEY HAD NOT BEEN NOTIFIED IN THE BILL,BEFORE HAND.SHE SAID HER BILL WAS \$42.55 THEN RAISED TO \$66.00.THEN \$24.13 CREDIT AND SHE WAS NOT SURE JUST WHAT SHE OWED.

\*\*\*\*\*

NO UTILITY RESPONSE RECORD ON FILE

\*\*\*\*\*

NO STAFF REFERRAL RECORD ON FILE

\*\*\*\*\*

FINAL NAME: GAY

FINAL DATE: 19-JAN-1989 08:46:29.00

FINAL DISPOSITION:  
INFORMED MS HALL THAT WE ARE AWARE OF THE SITUTATION,AND MATTER HAS BEEN TURNED OVER TO OUR LEGAL STAFF.IF SHE HAD ANYMORE QUESTIONS OR PROBLEMS PLEASE CALL PSC

\*\*\*\*\*

RECEIVED  
JAN 19 1989  
GENERAL COUNSEL